



FOR IMMEDIATE RELEASE
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District of Arizona*

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SCOTTSDALE WOMAN SENTENCED ON FEDERAL MONEY LAUNDERING CHARGES

PHOENIX - Jeanette B. Wilcher, 61, of Scottsdale, Arizona, was sentenced on November 13, 2006, to 92 months imprisonment and ordered to pay \$2.5 million in restitution, by U.S. District Judge Carroll. Wilcher had been found guilty by a federal jury on April 14, 2006, of wire fraud and six counts of money laundering.

The evidence at trial showed that from December 1998 through October 1999 Jeanette B. Wilcher, operating as Life Foundation Trust ("LFT"), enlisted a third party organization to seek investors for LFT's high-yield investment "trading program." On or about January 21, 1999, an elderly victim entered a contract to provide \$3.3 million in cash to the third party organization for an investment in a trading program. The investment contract represented that the third party organization could generate an extraordinarily high rate of return on the investment, that the investment would be fully secured, and that the principal would be returned at the end of the trading period. Wilcher provided to the third party organization all of the terms of the investment which enticed the victim to invest \$3.3 million.

On January 25, 1999, the victim wired \$3.3 million to the third party organization, which in turn wired the entire investment amount to Wilcher. During the next several months, Wilcher made a few payments to the third party organization, which in turn forwarded "investment payments" to the victim. The "investment payments" were, in fact, comprised of the victim's principal investment. Defendant consistently misrepresented to the third party organization that she had invested the victim's \$3.3 million.

An IRS trace of the \$3.3 million demonstrated that Wilcher failed to invest any of the victim's \$3.3 million. Instead, she moved the funds among several bank accounts, then used \$700,000 to purchase her house out of foreclosure, expended an additional \$1.4 million on personal items, and made payments to third parties as commissions on the investment. The victim received only \$792,000 in payments.

The investigation in this case was conducted by the Internal Revenue Service - Criminal Investigation and the Federal Bureau of Investigation. The prosecution was handled by John R. Lopez IV and Stephen A. Laramore, Assistant U.S. Attorneys, District of Arizona, Phoenix.

CASE NUMBER: CR-03-1098-PHX-EHC
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